

GRANDVIEW SCHOOL DISTRICT NO. 116/200
Yakima County, Washington
September 1, 1992 Through August 31, 1994

Schedule Of Findings

1. The District Should Improve Internal Controls Over Associated Student Body (ASB) Activities

Our review of Grandview School District's accounting for ASB activities at McClure Elementary School disclosed the following internal control weaknesses:

- a. Fund Raisers: Elementary school personnel did not document the results of fund raising activities involving the sale of inventory. This documentation would have provided district personnel the ability to evaluate the sufficiency of fund raising revenues and whether they had been remitted intact to the ASB central bookkeeper.
- b. Cash Receipting: Although district administrators provided official prenumbered receipt forms to the elementary school secretary, she did not prepare them when she received money from other building personnel.

The *Revised Code of Washington* (RCW) 43.09.200 states in part:

The accounts shall show . . . all receipts, vouchers, and other documents kept, or required to be kept, necessary to isolate and prove the validity of every transaction

In addition, the *Washington Administrative Code* (WAC) 392-138-045 states in part:

The fiscal and accounting records of associated student body program moneys shall . . . be available for examination by the state auditor, and shall be preserved

These control weaknesses result in an increased risk that errors or irregularities involving ASB moneys could occur and not be detected in a timely manner.

These conditions exist because district personnel have failed to adequately establish and monitor internal controls over ASB activities.

We recommend that district personnel:

- a. Prepare official prenumbered receipts for the collection of all moneys, and
- b. Document and evaluate the reasonableness of all ASB fund raising activities involving the sale of inventory.